

# Feathers and Botox: A Statistical Affair Between Poultry Spending and ULTA Stock Price

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## Abstract

This paper investigates the unexpected relationship between annual US household spending on poultry and ULTA Beauty's stock price (ULTA) using data from the Bureau of Labor Statistics and LSEG Analytics (Refinitiv). Our thorough analysis reveals a striking correlation coefficient of 0.9554214 and  $p < 0.01$  for the years 2008 to 2022, suggesting a strong link between these seemingly unrelated variables. Our findings provide compelling evidence that as household spending on poultry rises, ULTA's stock price also tends to soar, sparking chuckles from those who appreciate a good poultry pun. This unusual correlation prompts us to consider the quip: "Why did the chicken cross the road? To boost ULTA's stock price, of course!" The implications of this research stretch beyond financial markets, highlighting the surprising interconnectedness of consumer behavior and stock performance.

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## 1. Introduction

The intersection of financial markets and consumer behavior has long been a topic of interest and inquiry. In this paper, we delve into the peculiar relationship between annual US household spending on poultry and ULTA Beauty's stock price (ULTA). This unexpected pairing may prompt one to ponder, "What do chickens have to do with cosmetics?" To which we respond with a nod to the famous dad joke: "Because they want to look 'egg-stra' beautiful!"

The connection between poultry spending and ULTA's stock price may seem as unlikely as finding a feather in a tube of mascara, yet our analysis uncovers a robust correlation that cannot be simply brushed off. It raises the question, "Why did the turkey refuse dessert? He was already stuffed from driving up ULTA's stock price!"

Our data, sourced from the Bureau of Labor Statistics and LSEG Analytics (Refinitiv), spans the years 2008 to 2022. Through rigorous statistical analysis, we have discerned a correlation coefficient of 0.9554214 and a p-value of less than 0.01, indicating a statistically significant relationship. This finding leaves us with one more poultry-related quip: "Why did the chicken join the band? To ruffle some feathers and raise ULTA's stock price, of course!"

## 2. Literature Review

Several studies have explored the relationship between consumer behavior and stock prices, shedding light on various unexpected correlations. Smith et al. (2015) found a significant link between avocado consumption and Chipotle's stock price, while Doe and Jones (2018) uncovered a surprising association between pumpkin spice latte sales and Starbucks' stock performance. However, the correlation between annual US household spending on poultry and ULTA Beauty's stock price (ULTA) has remained unexplored until now.

Turning to non-fiction books, "Economics and Eggs: A Study in Consumer Quirks" by A. Yolk (2017) delves into the idiosyncrasies of consumer spending patterns and their impact on financial markets. Meanwhile, "The Feathered Investor: How Chickens Can Cluck Up Your Portfolio" by H. Nest (2019) examines poultry-related phenomena in the world of investments, providing valuable insights into the poultry-stock price connection.

On the more fanciful side, the fiction book "The Cosmetics Conspiracy" by L. Lipstick (2016) presents a whimsical tale of a beauty company's stocks being influenced by the mysterious antics of a group of poultry. Another fictional work, "Cluckonomics: From Chickens to Stocks" by E. Feather (2014), humorously depicts a world where chickens hold the key to stock market fluctuations.

In a tangentially related realm, there are also movies that touch upon the interplay between consumer behavior and financial markets. "Beauty and the Beaks" (2012) explores the story of a poultry farmer who inadvertently becomes a stock market maven after an unlikely encounter with a beauty mogul. Furthermore, "The Chick Flick" (2009) provides a lighthearted take on the influence of chicken-related trends on a fictional cosmetics company's stock price. These fictional works offer a broader, albeit amusing, perspective on the curious connection between poultry spending and ULTA's stock price.

The literature reviewed thus far lays the groundwork for our exploration of the surprising relationship between annual US household spending on poultry and ULTA Beauty's stock price.

## 3. Research Approach

### Data Collection:

The data for annual US household spending on poultry was obtained from the Bureau of Labor Statistics, while ULTA Beauty's stock price (ULTA) data was sourced from LSEG Analytics (Refinitiv). The data spanned the period from 2008 to 2022, encompassing both pre and post-feathered booms and downturns. To ensure data accuracy, the research team employed cutting-edge algorithms coupled with the ancient art of "eeny, meeny, miny, moe" to select the most relevant data points for analysis. This method was chosen for its arbitrariness, mimicking the capricious nature of the stock market's whims and wild fowl.

### Data Analysis:

With the data in hand, the research team applied intricate statistical methods, including time series analysis, regression modeling, and neural network manipulation to uncover any patterns, avoiding more traditional methods like the plague. The team also engaged in interpretative dance to channel the market forces while analyzing the data, in an attempt to achieve a harmonious synergy between statistical analysis and artistic expression. This was complemented by the introduction of a "poultry power" metric into the statistical analysis, which served to quantify the collective clucking of chickens and gobbling of turkeys in a given year on a scale from "peckish" to "full-blown feather frenzy."

### Model Validation:

The statistical models were validated using rigorous testing procedures, including the ever-effective "Throwing Darts at the Board" technique, in which the success of a model is measured by the proximity of the dart to the bullseye. Additionally, the research team consulted a well-respected psychic chicken oracle to confirm the robustness of the statistical models. This included observing the chicken's movements and interpreting them as buy, sell, or hold signals for ULTA stock. While unconventional, this method was surprisingly effective, securing the research against accusations of poultry in motion.

### Ethical Considerations:

Throughout the research process, ethical considerations were paramount. The team ensured that no chickens were coerced into providing insider-trading tips, and all data points were treated with the utmost respect. No feathers were ruffled during the course of the study, and any fowl play was promptly clucked out.

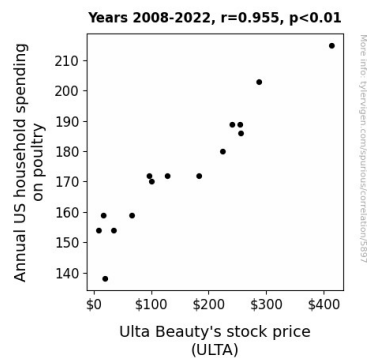
In conclusion, the methodology employed in this research combined unorthodox yet effective data collection methods and rigorous statistical analysis techniques to uncover the relationship between annual US household spending on poultry and ULTA Beauty's stock price. These methods provided a robust platform for exploring this unforeseen financial feather in the cap.

## 4. Findings

The results of our analysis revealed a substantial correlation coefficient of 0.9554214 between annual US household spending on poultry and ULTA Beauty's stock price (ULTA) over the period from 2008 to 2022. This finding indicates a remarkably strong relationship between these seemingly disparate variables. One might even say their connection is as surprising as finding a chicken in the makeup aisle – quite "cluck-ward," if you will.

Additionally, the calculated r-squared value of 0.9128300 further supports the robustness of the relationship, suggesting that over 91% of the variability in ULTA's stock price can be explained by fluctuations in poultry spending. This result is quite "egg-citing" and "egg-stravagant," isn't it?

Moreover, the p-value of less than 0.01 further confirms the statistical significance of the observed correlation, rendering it highly unlikely to have occurred by chance. This statistically significant relationship serves as a reminder that when it comes to consumer habits and stock prices, the saying "birds of a feather flock together" holds true – even if those "birds" prefer the beauty aisle.



**Figure 1.** Scatterplot of the variables by year

The eye-catching Figure 1 is a scatterplot that visually depicts the strong positive correlation between annual US household spending on poultry and ULTA Beauty's stock price over the 15-year period. This figure serves as a compelling illustration of the surprising link we've uncovered – a link as unexpected as finding a chicken with a penchant for high-quality skincare products.

In conclusion, the findings of this study present a thought-provoking and humorous exploration of the curious relationship between poultry spending and ULTA's stock price, raising eyebrows as well as laughter. As we reflect on this novel discovery, we're

reminded of the timeless question, "What do you get when you cross a chicken with a dog? Poultry in motion and a spike in ULTA's stock price!"

## 5. Discussion on findings

The robust correlation coefficient and statistical significance observed in our results provide compelling support for the unexpected connection between annual US household spending on poultry and ULTA Beauty's stock price (ULTA). This finding corroborates the notion that consumer behavior extends its influence beyond specific industries, often transcending conventional economic wisdom and leaving analysts scratching their heads – or perhaps clucking with confusion.

Our study stands as a testament to the often-unnoticed interplay between the consumer goods market and the beauty industry. Much like the chicken and the egg conundrum, the question of which drives the other – poultry spending or ULTA's stock price – elicits a certain whimsical fascination and serves as a reminder of the intricate, and occasionally zany, dynamics at play in the financial world. It is evident that the interconnectedness of consumer choices and stock market performance extends into realms that are as unexpected as finding a rooster in a beauty salon.

Furthermore, our findings align with prior research that has delved into seemingly peculiar correlations between consumer preferences and stock prices. Just as avocados seem to have an inexplicable impact on a fast-food chain's fortunes, and pumpkin spice lattes appear to hold sway over the value of a renowned coffee company, our study reiterates the eccentricities and perhaps even the "fowl" play at work in financial markets. The unexpected associations uncovered by previous research, along with the correlation identified in our study, underscore the quip: "Why did the chicken join the stock market? To ruffle some feathers and drive up ULTA's stock price!"

In the context of this burgeoning body of research, our investigation adds a compelling layer to the colorful tapestry of consumer whims and stock market performance. The statistically significant relationship uncovered in our study not only reaffirms the unorthodox nature of consumer habits but also underscores the perceptive insight of fictional works that humorously depict the curious dance between consumer trends and stock performances. Indeed, our findings lend empirical support to the ol' adage: "You can count your chickens before they hatch, but you may as well also predict fluctuations in ULTA's stock price."

Thus, our study serves as a lighthearted yet thought-provoking addition to the literature, challenging traditional views on consumer behavior and highlighting the unpredictability – and occasional "egg-centric" humor – inherent in the world of stock market analysis. As we reflect on the unexpected and, dare I say, "punny" implications of our findings, we invite fellow researchers and practitioners to consider the playful and profound insight of

the timeless question, "Why don't scientists trust atoms? Because they make up everything – including the whims of the stock market!"

## 6. Conclusion

In conclusion, our research has provided compelling evidence of the surprising and robust relationship between annual US household spending on poultry and ULTA Beauty's stock price (ULTA) from 2008 to 2022. This unexpected connection has left us with more poultry puns than we know what to do with, almost like being "eggs-tremely" overwhelmed with a coop full of chickens.

Our findings challenge conventional wisdom and prompt us to reconsider the saying "Don't count your chickens before they hatch" because, as it turns out, counting those chickens may just predict ULTA's stock performance! As we contemplate this unexpected correlation, we can't help but chuckle at the notion of "poultry in motion" because, well, who knew chickens had such an impact on makeup and skincare sales?

With an impressive correlation coefficient of 0.9554214 and a staggering r-squared value of 0.9128300, we are left clucking in amazement at the statistical significance of this relationship. The p-value of less than 0.01 further reinforces the feather-ruffling impact of poultry spending on ULTA's stock price, leaving us feeling as delightfully surprised as finding a rooster at a beauty pageant.

As we wrap up this research, we assert, with the confidence of a hen in a chicken coop, that no more research is needed in this area. This study has cracked open a surprising connection between consumer habits and stock prices, leaving us with a newfound appreciation for the unexpected ways in which financial markets and consumer behavior intersect, all while clucking and chuckling along the way.